

we will consider in this Congress. Without it, this bill will not be reform. It will be highly destructive and should not be signed. With it, it will go a long way to fundamental bipartisan reform legislation to which President Clinton should proudly affix his signature.

Mr. President, I yield the floor.

Mr. KENNEDY. Mr. President, how much time now remains on this side?

The PRESIDING OFFICER. Thirty-five minutes.

Mr. KENNEDY. For the proponents.

And how much for the other side?

The PRESIDING OFFICER. And 91 minutes for the opponents.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PREMIUMS UNDER REPUBLICAN MEDICARE PLAN

Mr. KENNEDY. Mr. President, the Republican secret plan for deep cuts in Medicare will finally be unveiled, we are told, this Thursday. Yet, only 4 days before the announcement, the Republican disinformation campaign about what their program will mean for senior citizens is still in high gear.

Before the 1994 election, the Republicans said they were not planning to cut Medicare at all, but their budget resolution provides for an unprecedented \$270 billion in Medicare cuts. After the budget resolution was adopted, the Republicans said the cuts would not hurt senior citizens. That pledge was preposterous on its face since cuts of that magnitude would obviously have a substantial impact on millions of elderly Americans.

Now our Republican friends are beginning to reveal the true impact. Yesterday, on "Meet the Press," the Speaker of the House of Representatives stated that the Republican plan would require the part B premium for Medicare to be set at 31.5 percent of program costs. He claimed that this program would cost senior citizens an additional \$7 a month. He also said that the premium increases under the Republican plan are not in any way unreasonable.

The facts are otherwise. According to the independent actuaries at the Health Care Finance Administration, if the premium is set at 31.5 percent of cost as the Republicans propose, the monthly premium will go up to \$96 a month, an increase of \$37 a month compared to current law, not \$7. On an annual basis, seniors will have to pay an additional \$442 in the year 2002, a premium of almost \$1,200 a year, more than twice as much as they pay today. That is from the Health Care Finance Administration. Those are their estimates.

Over the life of the Republican plan, each senior citizen will have to pay an additional \$1,750 in Medicare premiums. Each senior couple would pay \$3,500 more. These numbers are approximate because they are based on cur-

rent projected spending under Medicare part B. They will undoubtedly change somewhat when the full Republican plan is finally laid out to the American people. Estimates by the Congressional Budget Office may even be higher.

However, the basic point is clear. We are not talking about senior citizens paying a few dollars more for Medicare. Under the Republican plan, senior citizens will be asked to pay thousands of dollars more for Medicare in order to fund a Republican tax cut for wealthy Americans.

That additional burden is unreasonable and unfair, and I believe the American people will reject the Republican plan. I urge the Congress to do so as well.

Mr. President, these figures that I am quoting are the result of the Health Care Finance Administration and their actuaries from their evaluation of the Republican plan.

FAMILY SELF-SUFFICIENCY ACT

The Senate continued with the consideration of the bill.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I have been listening to my colleague from Massachusetts very carefully, not only on the child care amendments but also on capital gains, on the so-called Republican amendment, and how Medicare is going to be so seriously hurt if the Republican approach is taken.

I do not think it is a Republican approach. It is a pro-American approach. Right now, I do not know of anybody who does not agree that Medicare is in serious financial condition and faces bankruptcy early in the next century.

As of next year it starts to go broke. By the year 2002 it will be broke, and 37 million Americans will be the losers. I do not know why we have to make this so partisan because I have to say the Democrats have basically been virtually in control of Congress for all of the last 40 years, every year that Medicare has been in existence. And here we are today with Medicare's financial crisis.

Now, rather than complaining about efforts to try to save it, it seems to me they ought to pitch in and help us. The fact is, if we do nothing but throw authorized dollars that are not there, it is not going to solve the underlining problem. And under the approach that the House Members are taking, Medicare is going to increase 6.4 percent each year. Not only increase 6.4 percent, but the average payment under Medicare is currently \$4,800 a year per senior and that will increase to \$6,700 by the year 2002.

Clearly, nobody is cutting Medicare. The 37 million-plus beneficiaries who currently are on Medicare will continue to be taken care of. And, the program will be there for the rest of us in the future. The American people understood this when they, for the first time

in 40 years, put Republicans in control of the House of Representatives. The American people knew that if they kept business as usual by keeping Democrats in control—who believe the answer to everything is the Federal Government—then we would never solve Medicare's financial situation.

And Medicare is soon going to be broke if it is not fixed. And the Medicare trustees' April 3, 1995, report on part A, the Medicare Hospital Insurance trust fund, under the most likely scenario, would be bankrupt in 7 years by the year 2002. It will begin running a deficit as early as October 1 of next year. The average two-income couple retiring in 1995, according to the Trustees Report—and four of the six Trustees are Clinton appointees—will receive \$117,000 more in Medicare benefits than they paid into the Trust Fund during their working lives. Now, I do not have any problem with that as long as we have a fiscally responsible approach to solving the problems. So Congress will save Medicare, not by cutting it, but by slowing its rate of growth. This is based not on rhetoric but on the Congressional Budget Office analysis.

The Budget resolution proposes to increase total Medicare spending from \$181 billion in fiscal year 1995 to \$276 billion in fiscal year 2002—an increase of \$96 billion or 52 percent overall.

As I said, the Budget resolution proposes to increase the amount spent per beneficiary from \$4,800 in fiscal year 1995 to \$6,700 in fiscal year 2002. That is \$1,900 per person on Medicare or a 40 percent increase over that 7-year period. Congress will increase spending over 7 years by \$355 billion more than if it were held at its current level. That amount of increase is equal to twice the total amount that will be spent on Medicare this year.

Who is kidding whom? It is nice to get up and harangue about the fact that we have to restrain the growth of Medicare. It is not a cut; it is a reduction in growth. We cannot just assume that Medicare is going to continue to run off the charts at 10.4 percent every year. That is totally unrealistic. It would bankrupt Medicare and jeopardize the program for future generations.

That is why we experienced a change in congressional leadership in the last election. The American people, in despair, realized that the only way they will get this problem under control is to get more moderate to conservative leadership in the Congress. That is what they did in voting for Republicans the last time.

Spending, as I said, is going to increase by 6.4 percent each year for the next 7 years if the Republican budget resolution proposal is adopted. The slowed spending rate is designed to save Medicare—not to balance the budget or pay for tax cuts. If the budget were balanced today, Medicare would still be broke tomorrow. Medicare's trustees, three of whom are members of the Clinton Cabinet, have